ESTTA Tracking number: **ESTTA775223**

Filing date: **10/06/2016**

IN THE UNITED STATES PATENT AND TRADEMARK OFFICE
BEFORE THE TRADEMARK TRIAL AND APPEAL BOARD

Proceeding	91217238
Party	Defendant FLIPAGRAM, INC.
Correspondence Address	THOMAS A HARVEY COBLENTZ PATCH DUFFY & BASS LLP ONE MONTGOMERY STREET, SUITE 3000 SAN FRANCISCO, CA 94104 UNITED STATES pharvey@harveysiskind.com, ef-tharvey@coblentzlaw.com, clee@harveysiskind.com
Submission	Opposition/Response to Motion
Filer's Name	Thomas A. Harvey
Filer's e-mail	ef-tharvey@coblentzlaw.com
Signature	/Thomas A. Harvey/
Date	10/06/2016
Attachments	Flipagram Opposition TAH Dec Exhibits.pdf(826182 bytes)

THOMAS A. HARVEY (State Bar No. 235342)
ANDREW P. SCHALKWYK (State Bar No. 287170)
COBLENTZ PATCH DUFFY & BASS LLP
One Montgomery Street, Suite 3000
San Francisco, California 94104-5500
Telephone: 415.391.4800
Facsimile: 415.989.1663
Email: ef-tah@cpdb.com
ef-aps@cpdb.com

D. PETER HARVEY (State Bar No. 55712)
HARVEY SISKIND LLP
Four Embarcadero Center, 39th Floor
San Francisco, California 94111
Telephone: 415.354.0100
Facsimile: 415.391.7124
Email: pharvey@harveysiskind.com

Attorneys for Applicant/Petitioner
FLIPAGRAM, INC.

Mark: FLIPAGRAM

IN THE UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE TRADEMARK TRIAL AND APPEALS BOARD

INSTAGRAM, LLC, a Delaware limited liability company, Opposer/Registrant, v. FLIPAGRAM, INC., a California corporation, Applicant/Petitioner.	**FLIPAGRAM'S OPPOSITION TO INSTAGRAM'S MOTION FOR JUDGMENT ON THE PLEADINGS** Opposition No. 91217238 Application No. 86042264

COBLENTZ PATCH DUFFY & BASS LLP
One Montgomery Street, Suite 3000, San Francisco, California 94104-5500
415.391.4800 • Fax 415.989.1663

TABLE OF CONTENTS

COBLENTZ PATCH DUFFY & BASS LLP
One Montgomery Street, Suite 3000, San Francisco, California 94104-5500
415.391.4800 • Fax 415.989.1663

TABLE OF AUTHORITIES

Page(s)

Cases

Other Authorities

COBLENTZ PATCH DUFFY & BASS LLP
One Montgomery Street, Suite 3000, San Francisco, California 94104-5500
415.391.4800 • Fax 415.989.1663

COBLENTZ PATCH DUFFY & BASS LLP
One Montgomery Street, Suite 3000, San Francisco, California 94104-5500
415.391.4800 • Fax 415.989.1663

COBLENTZ PATCH DUFFY & BASS LLP
One Montgomery Street, Suite 3000, San Francisco, California 94104-5500
415.391.4800 • Fax 415.989.1663

I. Introduction

Opposer's motion is the latest example of a pattern of acts designed not to advance this dispute, but instead to delay proceedings, drive up litigation costs, and avoid discovery.

This case has been pending since 2014. Although Flipagram first served discovery *over fourteen months ago*, Opposer still has not responded to it in good faith. Even after the Board said as much in its June 2016 Order, and specifically required that the parties meet and confer on Opposer's responses, Opposer has dragged its feet. Its latest motion, which targets allegations that it unsuccessfully targeted two years ago, suspends this action for the third time, right on the eve of the expert disclosure deadline. It delays trial and allows Opposer to postpone its overdue discovery obligations still further. It does not serve a legitimate purpose and should be denied on that basis alone.

Opposer's motion is also substantively groundless. Its challenge to Flipagram's First Counterclaim and Sixth Affirmative defense, for "naked licensing," fails because Flipagram states a claim under this well-settled legal theory. As pled, Opposer engaged in uncontrolled licensing of its Instagram trademarks to hundreds of third party software developers using INSTA- and GRAM-formative names. "Licensee estoppel" cannot preclude this claim because the uncontrolled licensing was widespread, not limited to just Flipagram. In any event, Opposer cannot rely on the equitable doctrine of licensee estoppel because its own conduct was grossly inequitable. Indeed, the motion would turn equitable principles upside down. Essentially, Opposer claims that it can lure hundreds of developers into promoting its business by giving them permission to use a specific trademark and then—as soon as it has received the benefits of its deal—renege on its promise without consequences, hiding behind the doctrine of "licensee estoppel." That is not, and has never been, the law.

Opposer's challenge to Flipagram's Second Counterclaim and Seventh Affirmative defense, for descriptiveness lacking secondary meaning, also fails. Again, Opposer cannot hide behind "licensee estoppel" because its own conduct was inequitable, and its very argument at best raises factual questions that cannot be resolved on the pleadings (and about which Opposer must provide discovery). Moreover, the descriptiveness claim is grounded in a separate and

COBLENTZ PATCH DUFFY & BASS LLP
One Montgomery Street, Suite 3000, San Francisco, California 94104-5500
415.391.4800 • Fax 415.989.1663

independent legal theory that Flipagram pled in the alternative: Opposer's promises constituted an express consent, rather than a trademark license. Since Opposer apparently takes this position itself, it has no basis to challenge this claim.

In short, Opposer's motion is both procedurally improper and substantively groundless. The Board should deny it.

II. Procedural Background

Flipagram filed the pleading at issue here, its Answer and Counterclaim, in September 2014. In response, Opposer filed a motion to strike. (Dkt. 16.) That motion challenged the legal sufficiency of allegations in the pleading, just like its current motion. Notably, Opposer challenged Flipagram's Sixth and Seventh affirmative defenses—the same two defenses it now challenges here—and lost that challenge. (*Id.*) As a result of Opposer's motion, however, the case was suspended for nearly six months. (Dkt. 22.)

This was just the first of many delays brought on by Opposer's approach to this litigation. Opposer has consistently avoided providing meaningful responses to Flipagram's discovery requests, which date back to as early as July 2015.[1] On June 30, 2016, Board ordered that the parties meet and confer in good faith, noting that "Instagram has not made a good faith effort to satisfy Flipagram's discovery needs." (Dkt. 41 at p. 7.) Opposer has not yet supplemented its

---

[1] A basic timeline:

- *Summer 2015*: Opposer refused outright to provide responses to over 50% of Flipagram's discovery requests. (Dkt. 30.) (Mot. Compel at p. 4-5.) Opposer often based its refusal on boilerplate objections, such as claiming common English-language words like "searched" were vague and ambiguous. (*Id.* at p. 16.)
- *Fall 2015*: Although Flipagram met and conferred with Opposer about these responses for over three months, Opposer did not supplement them. Instead, it forced Flipagram to file a motion. (*Id.*) The case was suspended for another six months. (Dkt. 33.)
- *June 2016*: The Board issued its discovery order requiring that the parties meet and confer in good faith. (Dkt. 41.)
- *Summer 2016*: Opposer requested that Flipagram detail all outstanding discovery issues in new letters, which it did on August 15. (Harvey Decl. ¶ 10, Exhibits A & B.) In a subsequent phone conference (September 2), Opposer's counsel indicated it was "optimistic" it would supplement, but did not commit to doing so. (Harvey Decl., ¶ 14.)
- *Fall 2016*: Without notice, and two weeks before the September 30 expert disclosure deadline, Opposer has filed another motion. (Harvey Decl., ¶ 16.)

discovery responses, nor committed to doing so in the future, nor even taken a substantive position on the requests. (Declaration of Thomas A. Harvey ("Harvey Decl."), ¶ 15.) This is true even as to matters about which Opposer cannot have a sincere objection.[2] Opposer's latest motion comes without notice deep in the meet and confer process. It has the effect of suspending proceedings again and evading Opposer's obligation to provide meaningful discovery responses.

III. Flipagram's Pleadings

Opposer's motion mischaracterizes Flipagram's pleadings. Flipagram never pled that it had executed a "trademark license" or that it was Instagram's "trademark licensee." Rather, Flipagram pled that Opposer's relationship with third party software developers, including Flipagram, was governed by an API License, which Opposer drafted on its own. (Countercl. ¶ 8.) That document featured a section titled "Instagram API Trademark and Brand Guidelines," which contained the following provision: "While you cannot use the word 'Instagram' or 'IG' in your product's name, *it's okay to use one (but not both) of the following: 'Insta' or 'Gram.*'" (*Id.* at ¶ 9 (emphasis added).) As pled, Flipagram's Answer and Counterclaim advances alternative theories: Opposer granted Flipagram (and others) express permission to use a GRAM-formative name, either (1) by way of an express statement of consent or (2) by way of an express license.[3]

The motion also omits relevant allegations from Flipagram's pleading. Specifically, Flipagram pled that Opposer chose the name INSTAGRAM for its photo sharing service because it meant "instant telegram." (*Id.* at ¶ 4.) To attract more users, Opposer developed a business strategy to encourage software developers to "create quality apps that increase the aggregate utility of the ecosystem." (*Id.* at ¶¶ 5-6.) As part of this strategy, Opposer gave Flipagram, and all other third party developers, *express written permission* to use INSTA- and GRAM-formative names for

---

[2] For example, Opposer admits that it did not serve required interrogatory verifications, even though they were due over year ago—in July and September 2015. (Harvey Decl., ¶ 15.) Nevertheless, Opposer has not served those verifications, nor has it agreed to do so by a certain date. (*Id.*)

[3] For the first time ever, Opposer's motion reveals its legal position regarding this issue: Opposer contends that the API License is not a trademark license. This is news to Flipagram. Flipagram has sought this information in discovery for over a year. Harvey Decl., ¶ 7, Exh. A at p. 10 (RFA 64) ("Admit that the API Terms of Use purported to license use of the word GRAM to users of the Instagram API."). To date, Opposer has refused outright to respond to this request for admission. (*Id.*, ¶ 13, Exh. A.)

COBLENTZ PATCH DUFFY & BASS LLP
One Montgomery Street, Suite 3000, San Francisco, California 94104-5500
415.391.4800 • Fax 415.989.1663

their products. Opposer did not impose any quality controls on third party uses of INSTA- or GRAM-formative names. (*Id.*) Flipagram specifically relied on Opposer's express permission when selecting its name, and Flipagram continued to rely on it when building the value of its business and trademark. (*Id.* ¶ 12.) Consistent with Opposer's permission, hundreds of other companies built businesses using INSTA- and GRAM-formative names and trademarks. (*Id.* ¶ 13.) Opposer did not object to these marks. To the contrary, it routinely promoted third-party products using INSTA- and GRAM-formative trademarks. (*Id.* ¶ 14.) For example, Opposer touted many of these trademarks on its blog, including INSTAPRINT, INSTADROP, INSTAGRE.AT, PRINTSTAGRAM, and STITCHSTAGRAM. (*Id.*) Opposer's strategy helped it achieve growth and business success, culminating in its acquisition by Facebook. (*Id.* ¶ 15.) Now, having achieved that success, Opposer seeks to change course, revoke its express consent, and limit Flipagram's trademark rights. (*Id.* ¶ 16.)

IV. Legal Standard

A motion for judgment on the pleadings is a test solely of the undisputed facts appearing in all the pleadings. *Baroid Drilling Fluids Inc.* v. *Sun Drilling Prods.*, 24 U.S.P.Q.2d 1048 (T.T.A.B. 1992). For purposes of the motion, all well-pleaded factual allegations of the nonmoving party are assumed to be true and the inferences drawn therefrom are to be viewed in a light most favorable to the nonmoving party. *Id.*; Wright & Miller, Federal Practice and Procedure: Civil 2d ("Wright & Miller") § 1368 (3d. ed. 2016). As a result, a plaintiff cannot prevail unless it appears beyond doubt that the plaintiff can prove no set of facts in support of its claim which would entitle it to relief. *Nogbou v. Mayrose*, 400 F. App'x 617, 619 (2d Cir. 2010).

The issue is not whether the claimant will ultimately prevail, but whether it is entitled to offer evidence to support its claim. Thus, the court should not dismiss the claim unless the claimant would not be entitled to relief under any set of facts or any possible theory that it could prove consistent with the allegations in the complaint. *Leffall v. Dallas Indep. Sch. Dist.*, 28 F.3d 521, 524 (5th Cir. 1994). "The legal bases for a motion under [Rule] 12(c) are the same as those for a motion to dismiss pursuant to [Rule] 12(b)(6)." *Jordan v. United States*, 119 Fed. Cl. 694, 697 (2015).

COBLENTZ PATCH DUFFY & BASS LLP
One Montgomery Street, Suite 3000, San Francisco, California 94104-5500
415.391.4800 • Fax 415.989.1663

COBLENTZ PATCH DUFFY & BASS LLP
One Montgomery Street, Suite 3000, San Francisco, California 94104-5500
415.391.4800 • Fax 415.989.1663

V. The Board Should Refuse to Consider the Motion Because It Will Delay Trial, Prejudice Flipagram, and Waste Judicial Resources.

A motion for judgment on the pleadings must be made promptly after the close of the pleadings, and certainly "early enough not to delay trial." Fed. R. Civ. Proc. 12(c); Wright & Miller § 1367. "If a party engages in excessive delay before moving, under Rule 12(c) the [ ] court may refuse to hear the motion on the ground that its consideration will delay or interfere with the commencement of the trial." *Id.* The determination whether the motion is "a legitimate one or simply has been interposed to delay the trial is within the sound discretion of the judge." *Id.* Moreover, a court should hesitate to entertain a Rule 12(c) motion once parties have invested substantial resources in discovery. *Id.*; *Grajales v. Puerto Rico Ports Auth.*, 682 F.3d 40, 46 (1st Cir. 2012). Finally, if the pleadings do not resolve all of the factual issues in the case, a trial on the merits would be more appropriate than an attempt at resolution of the case on a Rule 12(c) motion. Wright & Miller § 1367; *Roberts v. Robert V. Rohrman, Inc.,* 909 F.Supp. 545, 552 (N.D. Ill. 1995).

Opposer's latest motion badly fails all of these tests. First, there is no question that this motion causes unwarranted delay. Flipagram's pleading has been on file since September 2014, more than two years ago. (Dkt. 8.) While there may be cases where a two-year delay in filing a motion for judgment on the pleadings is defensible, this is not one of them. Here, Opposer has engaged in a pattern of acts that have the effect of delaying proceedings, avoiding discovery, and driving up litigation costs. Already, Opposer's choices have twice caused the case to be suspended and the trial delayed. Opposer could have made its latest arguments when it filed its Motion to Strike in 2014.[4] Indeed, Opposer did challenge two of the allegations targeted here in its prior motion—and it lost. This new motion suspends proceedings again, delays trial, and further evades its obligation to provide good faith responses to discovery that has been pending

[4] Opposer's Motion to Strike took the same approach as this motion: it challenged the legal sufficiency of allegations in Flipagram's pleading. (Dkt. 16.) Nothing prevented Opposer from pursuing "licensee estoppel" there. Indeed, at the same time, Opposer pled this theory as an affirmative defense in its Counterclaim Answer. (Dkt. 15 at p. 7.)

since July 2015. *Grajales*, 682 F.3d at 46 (plaintiffs filed suit in 2009 but motion did not occur until 2010). Second, the parties have already invested substantial resources in discovery. The parties began exchanging discovery requests more than a year ago (Harvey Decl., ¶ 2) and have now exchanged three sets of requests. They have spent months meeting and conferring; they have briefed the issues in dispute; and the Board has ordered the parties to resolve them in good faith. Further, they have operated under a scheduling order with an expert disclosure deadline of September 30, 2016. (Dkt. 41.) After this investment of time and energy, Opposer's last-moment motion is not well taken. *Grajales*, 682 F.3d at 46. Finally, this motion would not even resolve all factual issues in the case. It has no bearing on a central question in the pleadings: whether consumers are likely to be confused by the parties' respective marks. In short, this motion is late, it is prejudicial, and it will waste, rather than save, judicial resources.

VI. Flipagram's First Counterclaim and Sixth Affirmative Defense (Naked Licensing) State Valid Claims.

Opposer's challenge to the "naked licensing" claims is meritless. Naked licensing occurs any time a licensor fails to control the quality of goods or services offered by its licensees, causing a loss of trademark rights. 3 McCarthy on Trademarks and Unfair Competition ("McCarthy") § 18:48 (4th ed.). The practice is "*inherently deceptive* and constitutes abandonment of any rights to the trademark by the licensor." *FreecycleSunnyvale v. Freecycle Network,* 97 U.S.P.Q.2d 1127 (9th Cir. 2010) (emphasis in original). It causes a loss of rights even if consumers still recognize the mark as a trademark. Restatement (Third) of Unfair Competition § 33 (1995) ("Although prospective purchasers may continue to perceive the designation as a trademark, the courts have traditionally treated an *erosion* of the designation's capacity for accurate identification resulting from uncontrolled licensing as a loss of trademark significance, thus subjecting the owner of the mark to a claim of abandonment.") (emphasis added). This erosion of rights can be either total, resulting in complete abandonment of rights vis-a-vis the world, or it can be limited and partial, merely precluding enforcement against a particular licensee. *Miller v. Glenn Miller Prods.*, 318 F.Supp.2d 923, 945 n. 12 (C.D. Cal. 2004) (*citing Exxon Corp. v. Oxxford Clothes, Inc.*, 109 F.3d 1070, 1075-80 (5th Cir. 1997)).

COBLENTZ PATCH DUFFY & BASS LLP
One Montgomery Street, Suite 3000, San Francisco, California 94104-5500
415.391.4800 • Fax 415.989.1663

Opposer claims that naked licensing can *never* apply here because (a) the claim is precluded by the equitable doctrine "licensee estoppel"; and (b) Opposer did not license out the entirety of its INSTAGRAM trademark. Both arguments fail.

A. "Licensee Estoppel" Cannot Preclude Flipagram's Naked Licensing Claims.

First, the doctrine of "licensee estoppel" does not preclude Flipagram's naked licensing claims. Opposer's theory fails on at least three grounds: (1) it does not apply because Opposer has failed to exercise control not only over Flipagram, but also many other third parties; (2) this equitable doctrine is unavailable to Opposer because its own behavior is inequitable; and (3) it is premature because Opposer has not fulfilled its obligation to provide discovery on the "totality of the circumstances."

1. "Licensee Estoppel" Does Not Apply Where the Licensor Also Failed to Exercise Control Over Third Parties.

At its heart, licensee estoppel is an equitable doctrine, intended to prevent a licensee from challenging the validity of its licensed trademark under certain conditions where it would be unfair to do so. For example, "[a] licensee [] should not be permitted to resist quality control then assert a lack of quality control to invalidate" a mark. *Edwin K. Williams & Co., Inc. v. Edwin K. Williams & Co.-E.*, 542 F.2d 1053, 1059 (9th Cir. 1976). It applies where a licensee "essentially seeks to benefit from its own misfeasance." *Westco Group, Inc. v. K.B. & Assocs., Inc.,* 58 U.S.P.Q.2d 1068, 1089 (N.D. Ohio 2001).

Because uncontrolled licensing causes a licensor to lose the very trademark rights it seeks to enforce, there is a split of authority over whether licensee estoppel can *ever* preclude naked licensing claims. This is true even where the claim is based *solely* on the relationship between the licensor and the licensee. *Compare Sheila's Shine Prods., Inc. v. Sheila Shine, Inc.,* 486 F.2d 114, 124 (5th Cir. 1973) (failure to control licensee precludes licensor from challenging licensee's uncontrolled use) *with Westco,* 58 U.S.P.Q.2d at 1089 (licensee cannot base naked licensing claim on its own nonconformance).

But where, as here, the licensor also fails to exercise control over third parties, courts routinely conclude that licensee estoppel does not apply. *See, e.g.*, Restatement (Third) of Unfair

COBLENTZ PATCH DUFFY & BASS LLP
One Montgomery Street, Suite 3000, San Francisco, California 94104-5500
415.391.4800 • Fax 415.989.1663

Competition § 33, comment d (1995) (case for applying licensee estoppel is weak where "the licensee asserts a lack of control by the licensor over other users"); *Kebab Gyros, Inc. v. Riyad,* 2009 WL 5170194, *7 (M.D. Tenn. 2009) (equitable factors are not present where licensor failed to control third parties). In short, a licensor's failure to control third parties completely changes the analysis, even in courts that are otherwise willing to apply licensee estoppel. *See, e.g., Westco*, 58 U.S.P.Q.2d at 1074 (naked licensing claim can be based on licensor's failure to control third parties); *John C. Flood of Virginia, Inc. v. John C. Flood, Inc.,* 700 F. Supp. 2d 90, 98 (D.D.C. 2010), *aff'd and remanded*, 642 F.3d 1105 (D.C. Cir. 2011) ("Had Virginia Flood pointed to other licensees … the scales might have tipped against licensee estoppel.").

Here, the pleadings are clear: Opposer failed to control the quality of goods and services not only of Flipagram, but also of numerous other third party software developers. Specifically, Opposer's uncontrolled licensing extended to "hundreds of licensees," among them third parties such as "INSTAPRINT, INSTADROP, INSTAGRE.AT, PRINSTAGRAM, and STITCHSTAGRAM." (Countercl. ¶¶ 13-14.)[5] This practice is "inherently deceptive" (*Freecycle*, *supra*, 626 F.3d at 516) and causes a loss of trademark rights even if consumers still recognize INSTAGRAM as a trademark (Restatement § 33, Comment d). Because Opposer's lack of quality control was widespread, there is simply no basis to claim that licensee estoppel precludes the naked licensing claim.

Opposer's supporting authority is inapposite. Opposer puts great stock in *Garri v. Publ'n Assocs. Inc.*, 10 USPQ.2d 1694 (T.T.A.B. 1988), but there, the licensee had predicated its naked licensing claim solely on its relationship with the licensor. *Id.* at *3-4. It did not speak to the circumstances here, where the uncontrolled licensing is widespread. The same is true of every other case in Opposer's string cite. *See Prof'l Golfers Ass'n of America v. Bunkers Life & Cas. Co.*, 514 F.2d 665 at 668 (5th Cir. 1975) (parties' settlement agreement and lease); *Estate of Biro*

[5] Flipagram has sought discovery regarding Opposer's business relationships with third party developers that use INSTA- or GRAM-formative names. To date, Opposer has refused to provide meaningful responses to this discovery. (Dkt. 41; Harvey Decl., ¶¶ 7, 13, Exh. A.)

COBLENTZ PATCH DUFFY & BASS LLP
One Montgomery Street, Suite 3000, San Francisco, California 94104-5500
415.391.4800 • Fax 415.989.1663

v. Bic Corp., 18 U.S.P.Q.2d 1382 at *2 (T.T.A.B. 1991) (a 1945 License Agreement); *Leatherwood Scopes Int'l, Inc*., 63 U.S.P.Q.2d 1699 (T.T.A.B. 2002) (not citable) (uncontrolled use by opposer). Far from supporting Opposer's motion, they confirm that licensee estoppel does not apply to the facts pled here.

The facts here are much more akin to those of *Freecycle*. Although that case did not address the doctrine of licensee estoppel squarely, its absence from Opposer's claimed list of authorities is telling. The case concerned the composite mark FREECYCLE, a combination of "free" and "recycle" used to describe the practice of giving away, rather than throwing away, unwanted items. The mark owner, TFN, allowed local chapters of its organization to use variations of the FREECYCLE mark (*e.g*., "FreecycleSunnyvale"). For example, it told FreecycleSunnyvale: "You can get the neutral logo from www.freecycle.org, *just don't use it for commercial purposes ….* " *Freecycle*, 626 F.3d at 516 (emphasis in opinion). Later, TFN sought to revoke its consent and preclude FreecycleSunnyvale from using the mark. The court rejected that attempt and affirmed summary judgment in favor of FreecycleSunnyvale. Construing TFN's consent as an implied license, the court found that TFN did not impose quality control measures on any of its licensees. This failure worked an abandonment of TFN's mark. *Id.* at 520. TFN had not bothered asserting license estoppel as a defense before the trial court. *Id.* Implicitly, it recognized the fact that its widespread universe of licensees meant that FreecycleSunnyvale was free to raise a naked licensing defense. *Id.*

The same analysis applies here. Opposer claims rights in a composite mark with two descriptive elements, INSTA and GRAM. It granted its express consent to Flipagram, and many other third party developers, to use variations of this mark: "While you cannot use the word 'Instagram' or 'IG' in your product's name, *it's okay to use one (but not both) of the following: 'Insta' or 'Gram.*'" (Countercl. ¶ 9 (emphasis added).) To the extent Opposer's consent constitutes an implied license based on its rights in INSTAGRAM, Opposer failed to exercise control over Flipagram and many other licensees. Opposer has therefore abandoned its right to enforce the mark against Flipagram.

COBLENTZ PATCH DUFFY & BASS LLP
One Montgomery Street, Suite 3000, San Francisco, California 94104-5500
415.391.4800 • Fax 415.989.1663

COBLENTZ PATCH DUFFY & BASS LLP
One Montgomery Street, Suite 3000, San Francisco, California 94104-5500
415.391.4800 • Fax 415.989.1663

2. Opposer Cannot Hide Behind this Equitable Doctrine Because Its Pled Conduct Is Inequitable.

Even where it applies, licensee estoppel is equitable in nature. It will not be applied when an inequity would result, or when its proponent has acted inequitably itself. *Martha Graham Sch. and Dance Found., Inc. v. Martha Graham Center of Contemp. Dance, Inc.*, 153 F. Supp. 2d 512, 520 (S.D. N.Y. 2001), *judgment aff'd*, 43 Fed. Appx. 408 (2d Cir. 2002) (refusing to apply the licensee estoppel doctrine where license had only lasted 10 months, and in the face of allegations plaintiff had acted inequitably). In *Martha Graham*, the estate of a famous dancer sought to preclude a dance school from using its registered trademarks. The estate claimed that the school's prior status as a licensee precluded it from challenging those registrations. The court disagreed. It concluded that it would be inequitable to apply licensee estoppel because the licensor had itself engaged in inequitable conduct. *Id.* at 520. For example, the licensor had procured its registration by presenting "inaccurate and misleading information to the PTO whether intentionally or not." *Id.* at 521. Similarly, because the license at issue had been in place for only 10 months, a relatively short period time, the case for applying estoppel was especially weak. *Id.* at 522.

Likewise, Opposer cannot rely on this theory because it has behaved inequitably. As pled, Opposer built up its business by encouraging third party developers to choose and promote GRAM-formative trademarks. (Countercl. ¶¶ 2, 9, 12-14.) Opposer did not merely tolerate these GRAM-formative trademarks. Rather, it actively encouraged them. This was an undisguised act of self-interest on Opposer's part. Businesses' widespread use INSTA- and GRAM- formative marks would, in Opposer's words, "increase the aggregate utility of the ecosystem," *i.e.*, broaden consumers' awareness and use of INSTAGRAM and apps which interoperate with it. (*See id.* at ¶¶ 5-6.) Having achieved that success, Opposer now seeks to unwind the *quid pro quo* it promised to developers such as Flipagram. (*Id.* at ¶ 16.) This is textbook inequitable conduct of the kind that closes the doors of equity to Opposer. *Martha Graham*, 153 F. Supp. 2d at 520.

Moreover, discovery is likely to establish that Opposer has engaged in additional inequitable conduct. For example, Flipagram has served discovery probing the fact that Opposer obtained its cited registrations by providing misleading information to the USPTO. (*See, e.g.*,

Harvey Decl., Ex. A at p. 4 (Interrogatory No. 7).) This is the very same type of conduct that the court considered in *Martha Graham* when it rejected licensee estoppel. 153 F. Supp. 2d at 520. Because Opposer has refused to respond to that discovery to date (*id.*), it is not yet possible to gauge the extent of Opposer's inequitable conduct.

3. By Its Nature, Licensee Estoppel Is Unfit for Adjudication on the Pleadings.

As an equitable doctrine, licensee estoppel should not be "rigidly applied in any and all situations." McCarthy § 18:63. It requires fact-specific analysis of "the particular circumstances of the case, including the nature of the licensee's claim and the terms of the license." *Id.* It cannot be employed without "a full consideration of the totality of the circumstances." *Kebab Gyros, Inc.,* 2009 WL 5170194, at *6 n.7. *See also Pride Publ'g Group Inc. v. Edwards*, 2008 WL 2201516, *4 (E.D. Tenn. 2008) (licensor never imposed meaningful constraints).

Given this standard, licensee estoppel is particularly unsuitable as a basis to seek judgment on the pleadings. Looking only at pleadings, it is simply impossible to assess "totality of the circumstances." Again, Flipagram has sought discovery on precisely these circumstances.[6] To date, Opposer refused to produce it. The motion fails due to these factual questions alone.[7]

B. <u>Opposer's Trademark Consent Language Strongly Supports the Naked Licensing Claims, and Certainly Does Not Foreclose Them.</u>

Second, there is no merit to Opposer's argument it is not subject to a naked licensing claim because its API License also included the words "you cannot use the word 'Instagram.'" This argument is a red herring. By definition, "a license to use a mark ... is a transfer of limited rights, less than the whole interest which might have been transferred." *Acme Valve & Fittings Co. v.*

---

[6] For example, Applicant has to date unsuccessfully sought information regarding the benefits Opposer obtained from allowing services using INSTA- and GRAM-formative mark having access to its API (RFP No. 51), Opposer's promotion of such services (Interrogatory No. 5 and RFP No. 31), and the reasons that Opposer decided to change its policy (Interrogatory No. 18). (Harvey Decl., Exh. A at pp. 3, 8-9).

[7] The motion also raises other factual questions. For example, Opposer concedes that licensee estoppel can only apply during the period that the license is in force. *See, e.g., Garri, supra*, 10 USPQ.2d at *4, n.4. The pleadings do not allege the start and end dates of any trademark license. Nor do they allege when the acts giving rise to naked licensing occurred. (Countercl. ¶¶ 2, 9, 13-14.) These questions cannot be resolved on a motion for judgment on the pleadings.

COBLENTZ PATCH DUFFY & BASS LLP
One Montgomery Street, Suite 3000, San Francisco, California 94104-5500
415.391.4800 • Fax 415.989.1663

Wayne, 386 F. Supp. 1162, 1165 (S.D. Tex. 1974) (citations omitted). Licensing controls acts which "would infringe the licensor's mark but for the permission granted in the license." McCarthy § 18:79; *Bunn-O-Matic Corp. v. Bunn Coffee Serv., Inc.*, 88 F. Supp. 2d 914, 921 (C.D. Ill. 2000). In this action, Opposer contends that Flipagram's GRAM-formative name infringes its INSTAGRAM mark. In the API License, Opposer told Flipagram and all others who had an interest that it was "okay to use … 'Gram.'" To the extent Opposer was granting third parties the right to use GRAM-formative names, it was relying on its legal rights in INSTAGRAM, not some other mark, to do so. *Cf. Hunter Industries, Inc. v. The Toro Co.*, 110 U.S.P.Q.2d 1651 (T.T.A.B. 2014) (PRECISION opposed as a shortened version of opposer's PRECISION DISTRIBUTION CONTROL). The mere fact that Opposer was not licensing all components of the INSTAGRAM mark is irrelevant to the question of naked licensing. Like any other trademark license transferring limited rights, Opposer's license requires quality control.

Further, whatever limitation Opposer included in its trademark consent language, it cannot resolve the central question in a naked licensing claim: whether the licensor actually ensured that its licensees were adhering to a standard of quality. Merely having a contractual right to control licensees is not enough; the licensor must actually discharge that duty. McCarthy § 18:56; *Freecycle*, *supra*, 626 F.3d at 512 (looking at three factors to determine if an alleged mark has been abandoned through naked licensing: whether the owner (1) retained contractual rights to control quality; (2) actually controlled quality; and (3) reasonably relied on the licensee to maintain quality) (citing *Barcamerica Int'l USA Trust v. Tyfield Importers, Inc.*, 289 F.3d 589, 596-98 (9th Cir. 2002)).[8] For this reason, the naked licensing claim presents a factual question that simply cannot be resolved on the pleadings.[9]

---

[8] For example, suppose that Opposer's provision had granted the right to use INSTA-formative marks, but banned licensees from using the GRAM-formative marks to which it now apparently objects. If Opposer did not actually enforce this provision, and in practice allowed its trademark licensees to use GRAM-formative names anyway, Opposer would not be controlling quality. *Id.*

[9] Again, Flipagram has sought discovery from Opposer on these very issues. (Harvey Decl., ¶ 7, Exh. A at p. 4 (Interrogatory Nos. 12, 13; RFP No. 29).) To date, Opposer has refused to provide a complete response. (*Id.*, ¶ 13.)

COBLENTZ PATCH DUFFY & BASS LLP
One Montgomery Street, Suite 3000, San Francisco, California 94104-5500
415.391.4800 • Fax 415.989.1663

C. Flipagram's Naked Licensing Counterclaim and Affirmative Defense Are Not Identical.

Opposer treats Flipagram's respective naked licensing Counterclaim and Affirmative Defense as identical, subject to the same burden of proof. They are not. As discussed above, there are two types of naked licensing claims: one that effects a complete abandonment of rights against the world, and one that affects rights only against one or more specific licensees. The latter is subject to a lesser burden of proof. *Miller*, 318 F. Supp. 2d at 945 n. 12 (*citing Exxon Corp.*, 109 F.3d at 1075-80).[10] Opposer does not address this lower standard, let alone explain why Flipagram cannot meet it as a matter of law.[11] For this reason, too, Opposer's challenge to the naked licensing claim fails.

VII. Flipagram's Second Counterclaim and Seventh Affirmative Defense (Descriptiveness Lacking Secondary Meaning) State Valid Claims.

A. Licensee Estoppel Fails for the Same Reasons As Before.

Just as Opposer's licensee estoppel argument does not preclude the naked licensing claim, it also does not preclude Flipagram's claim for descriptiveness lacking secondary meaning. The reasons are the same. First, here again, Opposer cannot rely upon this equitable doctrine because it has acted inequitably. *See, e.g., Martha Graham*, *supra*, 153 F. Supp. 2d at 524-25 (permitting licensee's challenges to the validity of the trademark based on fraud and prior use). Second, again, the doctrine is unfit for consideration at the pleadings stage because it requires consideration of the "totality of the circumstances," which cannot be assessed without the discovery that Opposer is withholding. *Kebab Gyros, supra,* 2009 WL 5170194, at *6 n.7.

---

[10] As explained by the *Miller* court: "There are two types of 'naked licensing' defenses. In one version of the defense, a licensor's failure to exercise appropriate control and supervision over its licensees may result in a complete abandonment of rights vis-a-vis the world. … In contrast, in a second version of the defense a licensor's failure to supervise and control a particular licensee may estop him from challenging a particular licensee's use of the mark. Because the consequence of such a failure is the licensor's loss of rights against only one licensee, presumably the burden of proof on the defendant is lesser." *Id.* (citations omitted)

[11] In any case, the relative heaviness of the burden is irrelevant to a motion at the pleading stage. *See, e.g.*, *In Re Houbigant, Inc.*, 914 F. Supp. 964, 994 (S.D.N.Y. 1995) (The burden of proving abandonment "is an entirely separate issue from whether or not the claim should be dismissed on 12(b)(6) grounds.") (citations omitted).

COBLENTZ PATCH DUFFY & BASS LLP
One Montgomery Street, Suite 3000, San Francisco, California 94104-5500
415.391.4800 • Fax 415.989.1663

On both of these scores, Opposer's authority is inapposite. In both *Freeman v. Nat'l Assoc. of Realtors*, 64 U.S.P.Q.2d 1700 (T.T.A.B. 2002) and *Sturgis Area Chamber of Commerce v. Sturgis Rally & Races, Inc.*, 99 F. Supp. 2d 1090 (D.S.D. 2000), the challengers had been licensing the marks for many years and had consistently and expressly acknowledged the licensor's rights in the mark. There were no allegations that the trademark owner had acted inequitably. *Freeman*, 64 U.S.P.Q.2d at *4; *Sturgis*, 99 F. Supp. 2d at 1097. Moreover, both cases involved an evaluation of factual circumstances necessary to evaluate the equities; neither was resolved at the pleadings stage. *Id.*[12]

B. Under Flipagram's Alternative Legal Theory of Express Consent, Licensee Estoppel Cannot Preclude a Claim for Descriptiveness Lacking Secondary Meaning.

In any event, the pleading advances two alternative legal theories: Opposer granted Flipagram (and others) express permission to use a GRAM-formative name, whether (1) by way of an express statement of consent or (2) by way of an express license. (Affirmative Defenses, ¶¶ 1, 6.) Flipagram's right to plead in the alternative is well settled. Fed. R. Civ. Proc. 8(d)&(e) (a party may set forth as many separate claims "as it has, regardless of consistency"); Wright & Miller § 1282. *See also Bancorp Servs., L.L.C. v. Sun Life Assur. Co. of Canada (U.S.)*, 687 F.3d 1266, 1280 (Fed. Cir. 2012) (allowing assertion of noninfringment as alternative to affirmative defense of invalidity).

Under its legal theory of express consent, Flipagram is not a licensee at all. Indeed, apparently, this is the very position that Opposer takes itself. (Mot. at 8.) By definition, Flipagram cannot be subject to licensee estoppel under this theory. There is therefore no basis to preclude Flipagram's claim for descriptiveness lacking secondary meaning.

[12] This argument also fails because Opposer cannot assert the right to enjoy the benefits of a contract that it terminated. Whatever the legal import of Opposer's API License to Flipagram, the facts will show that Opposer chose to terminate that contract with Flipagram based upon a claim that Flipagram had breached the contract. When a party invokes its contractual right to terminate an agreement, it relinquishes its rights to enjoy, or seek to enforce, the benefits of the agreement. *Martha Graham*, *supra*, 153 F. Supp. 2d 512, at 523.

COBLENTZ PATCH DUFFY & BASS LLP
One Montgomery Street, Suite 3000, San Francisco, California 94104-5500
415.391.4800 • Fax 415.989.1663

VIII. Conclusion

For all of the foregoing reasons, the Board should deny Opposer's motion in full.

Dated: October 6, 2016

COBLENTZ PATCH DUFFY & BASS LLP

By: /Thomas A. Harvey/
Thomas A. Harvey
Attorneys for Applicant/Petitioner
FLIPAGRAM, INC.

COBLENTZ PATCH DUFFY & BASS LLP
One Montgomery Street, Suite 3000, San Francisco, California 94104-5500
415.391.4800 • Fax 415.989.1663

CERTIFICATE OF TRANSMISSION

I hereby certify that a true and correct copy of FLIPAGRAM'S OPPOSITION TO INSTAGRAM'S MOTION FOR JUDGMENT ON THE PLEADINGS; DECLARATION OF THOMAS A. HOWARD IN SUPPORT OF FLIPAGRAM'S OPPOSITION TO INSTAGRAM'S MOTION FOR JUDGMENT ON THE PLEADINGS (Opposition No. 91217238) is being electronically transmitted to the Trademark Trial and Appeal Board on October 6, 2016.

Dated: October 6, 2016

By: /Thomas A. Harvey/
Thomas A. Harvey

COBLENTZ PATCH DUFFY & BASS LLP
One Montgomery Street, Suite 3000, San Francisco, California 94104-5500
415.391.4800 • Fax 415.989.1663

COBLENTZ PATCH DUFFY & BASS LLP
One Montgomery Street, Suite 3000, San Francisco, California 94104-5500
415.391.4800 • Fax 415.989.1663

CERTIFICATE OF MAILING

I hereby certify that a true and correct copy of FLIPAGRAM'S OPPOSITION TO INSTAGRAM'S MOTION FOR JUDGMENT ON THE PLEADINGS, and DECLARATION OF THOMAS A. HOWARD IN SUPPORT OF FLIPAGRAM'S OPPOSITION TO INSTAGRAM'S MOTION FOR JUDGMENT ON THE PLEADINGS (Opposition No. 91217238) was served on Opposer via first-class mail, postage prepaid, on October 6, 2016 addressed to:

Dennis L. Wilson
Christopher T. Varas
Kollin J. Zimmermann
Kilpatrick Townsend & Stockton LLP
9720 Wilshire Boulevard, PH Suite
Beverly Hills, CA 90212
Telephone: (310) 248-3830
Facsimile: (310) 860-0363
Email:
dwilson@kilpatricktownsend.com,
cvaras@kilpatricktownsend.com,
kzimmermann@kilpatricktownsend.com,
tmadmin@kilpatricktownsend.com

Attorneys for Opposer
Instagram, LLC

/Kathy Leduc /
Kathy Leduc

THOMAS A. HARVEY (State Bar No. 235342)
ANDREW P. SCHALKWYK (State Bar No. 287170)
COBLENTZ PATCH DUFFY & BASS LLP
One Montgomery Street, Suite 3000
San Francisco, California 94104-5500
Telephone: 415.391.4800
Facsimile: 415.989.1663
Email: ef-tah@cpdb.com
ef-aps@cpdb.com

D. PETER HARVEY (State Bar No. 55712)
HARVEY SISKIND LLP
Four Embarcadero Center, 39th Floor
San Francisco, California 94111
Telephone: 415.354.0100
Facsimile: 415.391.7124
Email: pharvey@harveysiskind.com

Attorneys for Applicant/Petitioner
FLIPAGRAM, INC.

IN THE UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE TRADEMARK TRIAL AND APPEALS BOARD

INSTAGRAM, LLC, a Delaware limited liability company, Opposer/Registrant, v. FLIPAGRAM, INC., a California corporation, Applicant/Petitioner.	Case No. 3:16-cv-00951 RS **DECLARATION OF THOMAS A. HARVEY IN SUPPORT OF FLIPAGRAM'S OPPOSITION TO INSTAGRAM'S MOTION FOR JUDGMENT ON THE PLEADINGS** Opposition No. 91217238 Application No. 86042264

I, Thomas A. Harvey, declare:

1. I am an attorney duly admitted to practice before this Court. I am a partner with Coblentz Patch Duffy & Bass LLP, attorneys of record for Applicant. I am counsel of record in this matter. I have personal knowledge of the facts set forth herein, except as to those stated on information and belief and, as to those, I am informed and believe them to be true. If called as a witness, I could and would competently testify to the matters stated herein.

2. Flipagram served its first set of Requests for Production of Documents on Instagram on July 15, 2015, and its first set of Requests for Admission and Interrogatories on Instagram on July 16, 2015.

3. Flipagram served its second set of Requests for Production of Documents, Requests for Admission, and Interrogatories on Instagram on September 29, 2015.

4. Instagram refused to provide responses to more than half of Flipagram's discovery requests. Instagram often based its refusal on boilerplate objections, such as claiming common English-language words like "searched" were vague and ambiguous.

5. The parties engaged in an extensive meet and confer process in September, October, November, and December of 2015 regarding Instagram's inadequate responses.

6. Flipagram served its third set of Requests for Production of Documents, Requests for Admission and Interrogatories on Instagram on December 22, 2015.

7. Included in its discovery requests, Flipagram sought information as to whether Instagram's API Terms of Use was a trademark license; the benefits that accrued to Instagram by allowing, in the API terms of use, services with INSTA- and GRAM- formative names; the services promoted by Instagram with INSTA- and GRAM-formative names; the reason Instagram changed its API terms of use to no longer allow services with INSTA- and GRAM-formative names; Instagram's business relationships with third parties with INSTA- or GRAM-formative names; the extent Instagram makes a trademark claim to "GRAM" alone; and the quality controls implemented over users of its API and INSTA- or GRAM-formative names.

8. After failing to obtain satisfactory responses to its discovery requests, Flipagram filed a Motion to Compel and Motion to Test the Sufficiency on its first and second sets of discovery on December 28, 2015.

9. The Board issued its Order on Flipagram's Motion to Compel and Motion to Test the Sufficiency on June 30, 2016.

10. When I attempted to restart the meet and confer process to resolve the parties' discovery dispute, Instagram's counsel requested that Flipagram detail all outstanding discovery issues in new letters. My colleague, Andrew Schalkwyk, provided two detailed letters outlining

COBLENTZ PATCH DUFFY & BASS LLP
One Montgomery Street, Suite 3000, San Francisco, California 94104-5500
415.391.4800 • Fax 415.989.1663

the long outstanding deficiencies in Instagram's discovery responses to Instagram's counsel on August 15, 2016.

11. Attached hereto as **Exhibit A** is a true and correct copy of the letter sent on August 15, 2016, by my colleague, Andrew Schalkwyk, to counsel for Instagram outlining the long outstanding deficiencies in Instagram's discovery responses to Flipagram's first and second sets of discovery.

12. Attached hereto as **Exhibit B** is a true and correct copy of the letter sent on August 15, 2016, by my colleague, Andrew Schalkwyk, to counsel for Instagram outlining the long outstanding deficiencies in Instagram's discovery responses to Flipagram's third set of discovery.

13. Since the Board issued its June 30, 2016 Order on Flipagram's discovery motions, Instagram has not supplemented its discovery responses, nor committed to doing so in the future, nor taken a substantive position on the requests.

14. In a phone conference held on September 2, 2016, Instagram's counsel indicated that they were optimistic Instagram would supplement, but did not commit to doing so.

15. Instagram has not supplemented its responses even as to matters about which it cannot have a sincere objection. For example, Instagram has admitted that it has not provided verifications to responses to interrogatories that were due in July and September 2015. Instagram has not provided a date by which it will provide such verifications.

16. Without notice, and two weeks before the September 30 expert disclosure deadline, Instagram filed the instant motion.

I declare under penalty of perjury under the laws of the United States of America that the foregoing is true and correct.

Executed on October 6, 2016, at San Francisco, California.

/s/ Thomas A. Harvey
Thomas A. Harvey

COBLENTZ PATCH DUFFY & BASS LLP
One Montgomery Street, Suite 3000, San Francisco, California 94104-5500
415.391.4800 • Fax 415.989.1663

Exhibit A

to the Declaration of Thomas A. Harvey
in Support of Flipagram's Opposition to
Instagram's Motion for Judgment on the Pleadings

Offered by Applicant Flipagram Inc.,

Instagram, LLC v. Flipagram, Inc.

Opposition No. 91217238

Coblentz
Patch Duffy
& Bass LLP

One Montgomery Street, Suite 3000
San Francisco, CA 94104-5500
415 391 4800
coblentzlaw.com

Andrew Schalkwyk
D (415) 772-5719
aschalkwyk@coblentzlaw.com

August 15, 2016

VIA ELECTRONIC MAIL

Mr. Christopher Varas
Kilpatrick Townsend
1420 Fifth Avenue, Suite 3700
Seattle, WA, 98101

E-mail: cvaras@kilpatricktownsend.com

Mr. Kollin Zimmermann
Kilpatrick Townswend
9720 Wilshire Blvd PH
Beverly Hills, CA, 90212-2018

E-mail: kzimmermann@kilpatricktownsend.com

Re: *Instagram, LLC v. Flipagram, LLC*, TTAB Opposition No 91217238

Dear Messrs. Varas and Zimmerman:

Per our phone conversation of August 10, I write to continue the parties' meet-and-confer discussions regarding Instagram's discovery responses. In light of the Trademark Trial and Appeal Board's June 30, 2016 Order, I write to inquire whether Instagram intends to supplement its responses. The Board stated that "Instagram has not made a good faith effort to satisfy Flipagram's discovery needs." (Order at 7.) I trust that Instagram has taken note of that observation, as well as the Order's general description of a party's discovery obligations, and will provide further responses to Flipagram's outstanding requests.

Flipagram requests that Instagram supplement its responses in the following manner:

- Provide full responses to Flipagram's Interrogatories Nos. 1-5, 11, 14 and 18;
- Provide responses to Flipagram's Interrogatories Nos. 6, 7, and 12-13 as limited;
- Provide full responses to Flipagram's Requests for Production Nos. 1-5, 8-9, 11, 15-17, 20, 23, 24, 29, 31-36, 38-42, 46, 48-49, and 51;
- Respond to Flipagram's Requests for Production Nos. 12 and 23 as limited;

EXHIBIT A

- Produce its supplementary document production, and documents responsive to Requests for Production Nos. 1-5, 8-9, 11, 15-17, 20, 24, 29, 31-36, 38-40, 42, 46, 48-49, and 51;

- Provide full responses to Flipagram's Requests for Admission Nos. 1, 3-6, 11-17, 20-22, 28-31, 33-42, 43-55, 56, 58-61, 63-65, 67-69, 70-71, 73-74, 76, and 79-81; and

- Verify its responses to Flipagram's First, Second, and Third Set of Interrogatories as required by Fed. R. Civ. P. 33(b)(5).

Instagram provided supplemental responses to some of Flipagram's requests on January 27, 2016 and asserted that such responses rendered Flipagram's Motion to Compel and Motion to Test the Sufficiency moot. As outlined in its Reply, Flipagram maintains that the supplemental responses do not satisfy Instagram's discovery obligations.

Interrogatory Nos. 1-2; Request for Production No. 3; Request for Admission Nos. 28: Instagram's supplemental responses to the Interrogatories and RFPs are insufficient and it has provided no further response to RFA No. 28. Instagram produced only four messages purportedly "evidencing" its awareness of Flipagram. This sample is insufficient for two reasons. First, the four messages appear to be carefully curated to avoid producing other relevant (and potentially compelling) evidence. Flipagram is entitled to any non-privileged documents related to or referring to Instagram's first awareness of Flipagram's marks. To the extent Instagram claims they are privileged, it must record them in a privilege log. Second, Instagram provided no information at all regarding its awareness of Flipagram's use of the Instagram API (Interrogatory No. 2).

Because these requests mimic requests that Instagram served on Flipagram, Instagram has waived any objections to them.

Interrogatory Nos. 3-4; Requests for Production Nos. 11, 32, 38, 49: These requests seek information regarding legal challenges and communications with third parties regarding GRAM- and INSTA-formative marks, including Instagram's own marks. Instagram has, to date, produced a only "sample" of 18 cease-and-desist letters, and 16 publicly available Notices of Opposition, both related only to GRAM-formative marks. Please advise whether Instagram still takes the position that it is too burdensome for it to produce complete materials rather than the "sample" it has provided. Instagram also defines away the very material most likely to reveal an admission. Instagram has not provided Flipagram with any explanation as to the criteria used to select the "sample" and why it is in fact "representative." As one example, Instagram has not provided any documents addressing settlements with others, including SHOWMEGRAM (as requested specifically in RFP No. 49), any responses provided by enforcement targets, or

Instagram's non-privileged internal communications regarding the marks. Given that Instagram consented to the registration of SHOWMEGRAM for goods and services that are very close to those claimed by Flipagram, it is particularly glaring that Instagram has not provided complete a response regarding this mark.

Please also advise whether Instagram continues to take the position that INSTA-formative marks are not relevant. Information regarding INSTA-formative marks is relevant to the overall strength of Instagram's marks. “It is not a violation of the anti-dissection rule to view the component parts of conflicting composite marks as a preliminary step on the way to an ultimate determination of probable customer reaction to the conflicting composites as a whole.” 4 McCarthy on Trademarks and Unfair Competition (4th ed.). Instagram’s treatment of INSTA-formative marks is also relevant to Instagram's shifting position as to the use of marks similar to its own, an issue central to Flipagram's claims of naked licensing and unclean hands on Instagram's part. Finally, Instagram put INSTA-formative marks at issue itself by seeking discovery on Flipagram's use of the mark INSTABACKGROUND.

Interrogatory No. 5; Request for Admission Nos. 43-55; Request for Production No. 31: These requests seek information regarding Instagram's promotional efforts and consumer studies relating to third-party INSTA- and GRAM-formative marks. As explained above, INSTA-formative marks are relevant because they go to the overall strength of Instagram's mark and Instagram put them at issue through its discovery requests. Instagram's shifting positions as to the use of such marks is relevant to the affirmative defense of unclean hands.

Instagram did not produce any documents in response to RFP No. 31 despite indicating it would do so in its Supplemental Response to Flipagram's First Set of Requests for Production. There is no merit to Instagram's vagueness objection regarding the word "promotion." This is precisely the type of response highlighted in the Board's Order as inappropriate. "Promotion" is defined in Flipagram's request.

There is similarly no merit to Instagram's objections that Flipagram's RFAs 43 through 55 are "vague and ambiguous." As a concrete example, Flipagram is aware that Instagram has corresponded with third parties using INSTA- and GRAM-formative marks to help promote their products and services on the Instagram blog. These requests target precisely this activity.

Interrogatory No. 6: Request for Production No. 23: These requests seek identification of past or present users of the Instagram API under GRAM- or INSTA-formative marks. The requests seek relevant information because Instagram's willingness to permit users with GRAM- and INSTA-formative marks to use its API is central to this dispute. Instagram has not explained why producing documents sufficient to show readily identifiable users of Instagram's API would be burdensome.

EXHIBIT A

Interrogatory No. 7: Flipagram narrowed this interrogatory to cover the following Requests for Admission: 5, 6, 24, 26, and 32. Because Instagram did not answer the question posed in RFA Nos. 5-6 (see below), its corresponding interrogatory answer is non-responsive and must be supplemented. As to RFA No. 24, Instagram denied that the Instagram mark had not yet acquired secondary meaning as to each of the services listed in its trademark registration as of its claimed first use date. Flipagram seeks the basis for that denial, because the evidence suggests that Instagram was not in fact providing certain services as of that date. For example, it does not appear that Instagram was "providing a website that allows users the ability to upload photographs." Instagram's corresponding interrogatory answer must be supplemented because it does not provide detail regarding the claimed services. As to RFA No. 26, the interrogatory is moot in light of Instagram's forthcoming dismissal of its dilution claim.

Requests for Admission Nos. 5, 6, 11, 13-15: These requests seek admissions as Instagram's own understanding of the meaning of the components of its asserted marks. *See Worthington Foods Inc. v. Kellogg Co.*, 732 F. Supp. 1417, 1440 (S.D. Ohio 1990) (analyzing the "word segment which conveys the suggestion of healthiness which the plaintiff intends"). Instagram's understanding of the connotation of its mark is a factor in the likelihood of confusion analysis. *In re E.I. DuPont de Nemours & Co.*, 476 F.2d 1357, 1361 (C.C.P.A. 1973) (a mark's "connotation" is a factor to be considered in a Lanham Act claim).

For RFA Nos. 5-6, Instagram has not responded to the question, which targets Instagram's own understanding of the connotation of the words. For RFA Nos. 11 and 13-15, Instagram has not provided any substantive response, apparently based on a claim that it does not understand the term "connotes." There is no good faith basis for this objection; the word comes directly from *DuPont*. Please confirm whether you will be supplementing these responses.

Interrogatory No. 11; Request for Production Nos. 24, 33-36: These requests seek information relating to the permission granted by Instagram in its API Terms of Use for users to use "insta" or "gram" in their names, as well as legal challenges relating to the marks of third-parties and Instagram. These requests are relevant because they go directly to Flipagram's unclean hands defense and Instagram's shifting positions as to granting permission and promoting apps employing marks like Flipagram's. Further, consent agreements with third parties (e.g., SHOWMEGRAM) may restrict the scope of a party's trademark and limit its ability to assert infringement against another user. Flipagram is therefore entitled to such agreements.

Interrogatory Nos. 12 and 13; Request for Production 29: These requests relate to measures used to control the quality of goods and services that license Instagram's marks or use its API. These requests are relevant to Flipagram's claim that Instagram has engaged in naked licensing, thereby abandoning its trademark rights. The requests are also relevant to the manner, and under what terms, Instagram allowed access to its API. Further, the control of goods and services associated with Instagram is relevant to the strength of Instagram's mark.

Instagram's objections are meritless. The words in the requests to which Instagram has objected ("reflecting" "measures" and "employed") are plain English and not vague or ambiguous as used. Indeed, Instagram responded (incompletely) to Interrogatory No. 13 containing the language despite objecting that it was vague and ambiguous in No. 12. Further, Instagram's objection that the request is overbroad because they seek documents relating to "any user of Instagram's API" is inappropriate. Flipagram seeks the policies and other measures taken by Instagram to generally control the quality of goods and services offered by those that use the Instagram API. It does not seek all documents as to each individual user or licensee.

In response to RFP No. 29, Instagram has only produced a "sample" composed of 18 cease-and-desist emails and 16 publicly available Notices of Opposition, limited to GRAM-formative marks, is not sufficient. First, it is not unduly burdenshome to provide complete responses. Nor is it appropriate to limit its responses to GRAM-formative marks. This is particularly true where the requests seek information as to measures taken by Instagram to control of the quality of goods and services associated with Instagram's marks. Instagram's control of the quality of the goods and services of INSTA- and GRAM-formative marks is relevant to the strength of Instagram's mark. Please confirm that Instagram has identified all measures as requested in Interrogatory No. 12 and all documents as requested in RFP No. 29 or provide a date by which you will provide the information and material sought.

Interrogatory No. 14; Request for Production No. 8: These requests inquire as to the process by which Instagram selected its mark and the reasons for the selection. They seek evidence regarding the conceptual strength of the Instagram mark, which is directly relevant to likelihood of confusion analysis. *Philip A. Hunt Co. v. Eastman Kodak*, 140. F.2d 166, 168 (C.C.P.A. 1944); *Kellogg, supra,* 732 F. Supp. at 1440. Further, Instagram has submitted almost identical requests on Flipagram.

Request for Production No. 1-2: These requests seek Instagram's communications about or with Flipagram. Instagram's response to RFP No. 1 excludes the very documents most likely to contain admissions. For example, it would exclude documents indicating: (1) that Instagram consented to Flipagram's mark; (2) that it did not find the Flipagram mark likely to confuse consumers; or (3) that it benefitted from its prior "ecosystem" agreement with Flipagram. To date, Instagram has produced only four internal documents about Flipagram. It is implausible that there are no others. For example, one of the four internal documents is an internal Facebook post in which Instagram officer Tyson Wheatley advises others that "The app Flipagram appears to be an overnight success." Instagram did not produce any responses to the post. To the extent Instagram claims response documents are privileged, it must identify them in a privilege log.

Requests for Production Nos. 15-20: In its responses, Instagram states only that it is "not aware" of certain responsive documents. A party responding to a request for documents is

under an obligation to make a "reasonable inquiry" and must so state "with sufficient specificity to allow the court to determine whether the party made a reasonable inquiry and exercised due diligence." *Heller v. City of Dallas*, 303 F.R.D. 466, 487 (N.D. Tex. 2014). Instagram's response does not indicate that it conducted any inquiry. In light of Instagram's forthcoming dismissal of its dilution claim, its responses to RFP Nos. 18-19 are moot.

Requests for Admission Nos. 1, 3, 4: These requests seek admissions that Instagram has made no claims to, or uses of, "gram" on its own. These requests are relevant to the scope of Instagram's claims as to part of its mark, the strength of Instagram's composite mark, and the likelihood of confusion. Instagram's current answers are non-responsive. Instead of admitting or denying Instagram's claim or use of "gram," Instagram's responses instead describe customers' purported use of "gram."

Requests for Admission No. 12: Flipagram seeks an admission regarding the fact that USPTO assigned a pseudo-mark in connection with the application that is the subject of this proceeding. The request is relevant to the perceived meaning of one component of Instagram's mark. Instagram's current response is evasive. Flipagram seeks to establish a fact not reasonably subject to dispute without the necessity of formal proof at trial. Despite Flipagram's clarification as to the meaning of "application," Instagram has not supplemented its response.

Requests for Admission Nos. 16-17: These requests seek admissions regarding certain dictionary definitions that are not open to dispute and that are relevant to the issues in this proceeding. Instagram's objections are without basis. Seeking admission that documents are genuine is a routine function of requests for admission.

Despite Instagram's objection to the contrary, one document states that it is "based on the Random House Dictionary," precisely as described in Flipagram's Request. In addition, Instagram's objection that there is not an "Online Etymology Dictionary definition" contained in Exhibit A is plainly wrong. It is present on the second page of Exhibit A. Finally, the presence of multiple definitions for "–gram" is immaterial because Flipagram seeks an admission as to only one.

Request for Admission Nos. 20-22: RFA Nos. 20-22 seek admissions as to whether Instagram has received communications regarding confusion between Instagram and Flipagram's marks and whether Instagram is aware of instances of such confusion going either way. Instagram claims that it does not understand the meaning of the plain language of the RFAs, and that it lacks information sufficient to respond. But the RFAs ask Instagram to admit that it is has not received communications or is not aware of confusion. Instagram cannot "ha[ve] insufficient information to admit or deny" whether it is aware of something, or whether it received communications regarding something.

Request for Admission Nos. 29-31: These requests seek admissions as to the timing of events after Flipagram's use of its mark. They are relevant to Flipagram defenses of unclean hands and estoppel by consent. They are also relevant to the absence of a likelihood of confusion. Evidence of Instagram's delay in challenging Flipagram supports a finding that it would be inequitable for Instagram to withdraw its consent to Flipagram's name, and that it does not really believe the name to be confusing.

In responding to RFA No. 29, Instagram admits that it sent a brand violation notice to Flipagram as early as November 20, 2013. However, it neither admits nor denies that this was the "first time" it contacted Flipagram, as the RFA requests. This is non-responsive. Instagram's responses to RFA Nos. 30 and 31 are similarly evasive.

Requests for Production Nos. 4-5, 9, 39, 40-42: These requests relate to Instagram's goods and services, the use of its marks in relation to those goods and services, and the numbers of users of Instagram's goods and services. These requests are relevant to the validity of Instagram's marks, the strength of its marks, the likelihood of confusion under *DuPont*, as well as Flipagram's affirmative defense of unclean hands. How the number of users, and their use of Instagram's goods and services, changed over time is relevant to Instagram's motivation for shifting its position on allowing Flipagram and other third party apps to use various marks and access the Instagram API.

Please advise whether you will provide the requested use metrics. Instagram refused to provide RFP No. 40. For RFP Nos. 39 and 41-42, it merely agreed to produce (and has not yet produced) publicly available metrics. Flipagram is entitled to non-public responsive information. Instagram may not unilaterally choose only to direct Flipagram to publicly available information where it has more accurate or detailed responsive details elsewhere. Any concerns that such information is confidential have been addressed by the protective order agreed to by the parties. Instagram cannot withhold information it put at issue by opposing Flipagram's registration merely because it does not release it as a matter of course.

There is no basis for Instagram's claim that producing these metrics is unduly burdensome. Instagram presumably collects this information in the regular course of business and so is readily available to be produced to Flipagram. Instagram also waived any objections to these requests by making similar ones on Flipagram.

Instagram has refused to produce any documents in response to RFP No. 5. In response to RFP Nos. 4 and 9, Instagram agreed to produce only its public trademark file wrappers. File wrappers, however, are insufficient as they do not provide evidence of the use for each of the claimed goods and services. Further, RFP Nos. 4 and 5 are not overly burdensome because they request only documents "sufficient to identify/support."

Instagram previously took the position that it would only respond as to goods and services that Flipagram specifically identifies. Flipagram is under no obligation to make separate requests as to each and every one of Instagram's goods and services.

Request for Production No. 12: This request seeks discovery on Instagram's communications with third parties regarding the subject matter of this proceeding. It is improper for Instagram to limit its response to only communications involving "Instagram management" that relate to "this opposition proceeding." The limitation excludes many of the Instagram communications most likely to contain admissions. Further, limiting the response to only this proceeding, rather than the subject matter of this proceeding, will exclude relevant communications relating to Flipagram's mark and whether there is a likelihood of confusion.

Flipagram offered to narrow the request to communications with third parties relating to the Flipagram mark, or third-party use or registration of GRAM- or INSTA-formative marks. To date, Instagram has said that it "would think about" this limitation, except as related to INSTA-formative marks. As explained above, INSTA-formative marks are relevant to this proceeding. Please advise whether Instagram will respond to the request as limited by Flipagram.

Request for Production No. 46: RFP 46 requests all documents that relate to Flipagram's use of Instagram's API. Instagram has committed to providing only "communications relating to the Notice of Brand Violation" sent to Flipagram for its purported violation of Instagram's API. This is not a sufficient response as it does not include any internal communications at Instagram regarding Flipagram's API use not related to the decision to send the Notice, a decision made years after Flipagram started using the API. Such documents are directly relevant to Instagram's changing position as to API access and mark usage, which are central to Flipagram's affirmative defense of unclean hands.

Request for Production No. 48: Request No. 48 seeks documents relating to Flipagram in connection with Instagram's development and use of the video feature on the Instagram app. This request is relevant to the similarity of the parties' respective goods and services and to Flipagram's affirmative defense of unclean hands. Instagram's relatively recent decision to expand to video support, after Flipagram pioneered many video functionalities, raises questions regarding Instagram's motivation for opposing Flipagram's trademark application. Flipagram's affirmative defense of unclean hands alleges, in part, that it would be inequitable to permit Instagram to encourage INSTA- and GRAM-formative marks to interact with its goods and services, observe the success of those products, adopt similar features and then oppose trademark registrations of names it had previously encouraged. The information sought in RFP No. 48 is directly relevant to that position. The request is also similar to Instagram's Requests for Production Nos. 13 and 14.

Request for Production No. 51: This request seeks documents relating to discussion or analysis of the benefits of granting access to Instagram's API to services using GRAM- and

INSTA- formative marks. The request is relevant because it goes directly to Flipagram's unclean hands defense and its allegations that Instagram allowed the use of GRAM- and INSTA- formative marks for its own benefit until it no longer needed those benefits. The information requested is therefore central to the dispute and Flipagram is entitled to a full response.

Instagram's vagueness objection, as noted generally by the Order, is groundless. The objection to the words "benefit" and "value" is especially so because the request is similar to a series of requests by Instagram regarding the "benefits or value of the Instagram APIs" which use the same words to which Instagram objects.

If any responsive documents are privileged, they should be noted as such in a privilege log.

Interrogatory No. 18: This interrogatory asks why Instagram changed its API Terms of Use to disallow previously allowed names and marks. Instagram's shifting position and the reasons behind that change is central to Flipagram's unclean hands defense. Instagram has also agreed to respond to Flipagram's Request for Production No. 45 which seeks very similar information in documentary form. Please advise whether Instagram will respond.

Requests for Admission Nos. 33-42: Flipagram seeks admissions that Instagram has not asserted legal challenges to a variety of services using INSTA- and GRAM- formative marks. Instagram has previously agreed to respond, but only as to GRAM-formative marks. First, Instagram has yet to provide its responses. Please indicate when you intend to provide responses. Second, discovery related to INSTA-formative marks is relevant for the reasons discussed above.

Requests for Admission Nos. 56: This request seeks an admission as to Instagram's knowledge of HIPSTAMATIC, a similar mark for a similar (and senior) product. The request is relevant to Flipagram's unclean hands defense and the strength of Instagram's marks.

Instagram also objects that the request is overly broad and unduly burdensome because it inquires as to the awareness of "any Instagram employee or former employee." That is not the scope of the request. Instagram's obligation in responding to discovery is to search sources within its possession, custody or control where information is reasonably likely to be located.

Further, Instagram's objection that Flipagram's use of the terms "aware" and "selecting" is vague and ambiguous is meritless. The words are plain English and used for their normal meaning. The Board has already stated that such objections were not made in good faith. Please advise whether Instagram will provide a full response to this request.

Requests for Admission Nos. 58-61: These requests seek admissions that Instagram's marks as well as goods and services are derived from Polaroid instant photos. This is relevant to the strength of Instagram's mark and the likelihood of confusion analysis.

Instagram has objected on the grounds that the use of "derived" is vague and ambiguous. Instagram's objection is baseless. Derived is a defined term, and Instagram has not identified how its defined meaning is ambiguous as used in the requests. In light of the Order, please advise whether Instagram has changed its position regarding these RFAs.

Requests for Admission Nos. 63-65: These requests seek admissions that the Instagram API Terms of Use sought to license use of Instagram marks to users. They are relevant to Flipagram's defense that Instagram has abandoned its trademark rights by way of "naked licensing" and as to Flipagram's unclean hands defense. Instagram objects on the grounds that they seek responses to questions of law. However, the existence of a license is a question of fact, not law. *See e.g. Sigmund v. Starwood Urban Retail VI, LLC*, 236 F.R.D. 43, 46 (D.D.C. 2006) ("A request for admission that relates to the interpretation of a contract at issue in a case involves the application of law to the unique facts of that case and, therefore, would be permissible under the amended Rule 36."). In addition, that a discovery request calls for a legal conclusion is not a valid objection. *See, e.g.*, *Thomas v. Cate*, 715 F. Supp. 2d 1012, 1029 (E.D. Cal. 2010).

Requests for Admission Nos. 67-69: These requests seek admissions regarding Instagram's goods and services. They test the actual scope of use of the Instagram mark in commerce. They are also relevant to the affirmative defense of unclean hands. Instagram's objections are meritless.

In light of the Board's Order, please advise as to whether Instagram will continue to stand on its vagueness and ambiguity objections. For example, Instagram has claimed that "give users the ability to upload photographs" (RFA No. 67) and "mobile device" (RFA No. 68), are ambiguous. Such objections are specious given that Instagram's primary business is giving users the ability to upload photographs on their mobile devices. Instagram's objections to the phrases "video support" and "only available for use" are also meritless. Such objections are prime examples of Instagram's "failure to engage in a good faith effort to satisfy" its discovery obligations as noted by the Board in its Order.

Requests for Admission Nos. 70-71: Flipagram seeks admissions regarding the timing of Instagram's release of its product and the channels of trade through which it was released. These requests are relevant to determining whether Instagram was using its marks in connection with goods and services as claimed, and so the validity and strength of its marks.

Instagram has also objected that the phrases "Instagram services . . . on the Android platform" and "made available on the world wide web" as to Instagram's goods and services are

vague and ambiguous. These objections to straightforward phrases are without merit. Flipagram, however, accepts Instagram's understanding of the first phrase as "published a mobile application that is compatible with the Android operation system." Please provide a supplemental response based on that interpretation.

Flipagram also provided a clarification of the phrase "made available on the world wide web." Flipagram clarified this straightforward phrase early in the parties' meet and confer correspondence. In light of the Board's Order, please advise whether you will stand on this objection, or will provide a supplemental response.

Requests for Admission Nos. 73-74, 76: These requests seek admissions regarding the genuineness and accuracy of certain documents. Instagram's objection regarding the two of the documents, that they are old versions of Instagram's website, is meritless. Instagram can readily confirm the accuracy of its own policies and website contained in the two documents. The third request seeks to confirm the genuiness of an email chain between the parties, but Instagram's response admits only that it "purports" to be such an exchange. This completely sidesteps the purpose of the request and is not responsive.

Requests for Admission Nos. 79-81: Flipagram seeks admissions as to the limitations of the goods and services that Instagram offers under its marks. Such requests are relevant to the validity of Instagram's marks. The requests incorporate the same language used by Instagram in its descriptions of its goods and services to the USPTO in order to test the truth of those representations and the validity of Instagram's marks. Instagram's vagueness objections are specious, since Instagram drafted the very language it claims to be vague.

Finally, Instagram must verify its responses to Flipagram's First, Second, and Third Set of Interrogatories as required by Fed. R. Civ. P. 33(b)(5). Instagram's failure to provide timely verifications, despite many requests, and in some cases more than a year after they were due, is a fundamental violation of its discovery obligations.

I trust that we will be able to come to an agreement on these issues in light of the Board's Order. No later than **August 25**, please confirm that Instagram will provide supplemental responses described above. Flipagram seeks your supplementation by **August 31**. I look forward to your confirmation.

Very truly yours,

Andrew Schalkwyk

EXHIBIT A

Exhibit B

to the Declaration of Thomas A. Harvey in Support of Flipagram's Opposition to Instagram's Motion for Judgment on the Pleadings

Offered by Applicant Flipagram Inc.,

Instagram, LLC v. Flipagram, Inc.

Opposition No. 91217238

Coblentz
Patch Duffy
& Bass LLP

One Montgomery Street, Suite 3000
San Francisco, CA 94104-5500
415 391 4800
coblentzlaw.com

Andrew Schalkwyk
D (415) 772-5719
aschalkwyk@coblentzlaw.com

August 15, 2016

VIA ELECTRONIC MAIL

Mr. Christopher Varas
Kilpatrick Townsend
1420 Fifth Avenue, Suite 3700
Seattle, WA, 98101

E-mail: cvaras@kilpatricktownsend.com

Mr. Kollin Zimmermann
Kilpatrick Townswend
9720 Wilshire Blvd PH
Beverly Hills, CA, 90212-2018

E-mail: kzimmermann@kilpatricktownsend.com

Re: *Instagram, LLC v. Flipagram, LLC*, TTAB Opposition No 91217238

Dear Messrs. Varas and Zimmermann:

I write pursuant to 37 C.F.R § 2.120(e)(1) and TBMP § 408.01 to meet and confer with respect to Instagram's responses to Flipagram's third set of written discovery requests. Instagram's responses are insufficient. In response to Flipagram's twenty requests, Instagram has only provided two partial – and insufficient – responses and directed Flipagram to publicly available information in three others. Flipagram requests that Instagram promptly supplement its responses to the following requests:

Requests for Production Nos. 52, 53, 54: These requests relate to the numbers of users and downloads of Instagram's goods and services over a limited period. These requests are relevant to the strength of Instagram's marks, the likelihood of confusion, as well as Flipagram's affirmative defenses. How the number of users, and their use of Instagram's goods and services changed over time is relevant to Instagram's motivation for shifting its position on allowing Flipagram and other third party apps to use various marks and access the Instagram API.

Instagram has only directed Flipagram to publicly available sources, or has agreed to produce – but not yet produced – publicly available numbers. Flipagram is entitled to non-public information to the extent it is responsive. Instagram may not unilaterally choose only to direct Flipagram to publicly available information where it has more accurate or detailed responsive details. Any concerns that such information is confidential have been addressed by the

protective order agreed to by the parties. Instagram cannot seek to keep information it put at issue by opposing Flipagram's registration merely because it does not release it as a matter of course.

Instagram cannot establish that it is unduly burdensome for it to produce its number of registered users, downloads, and daily active users. Instagram presumably collects this information in the regular course of business and so is readily available to be produced to Flipagram with minimal effort. Instagram has also waived any objections to these requests by making similar ones on Flipagram.

Instagram's vagueness and ambiguity objections are without merit. The phrases "on each platform" and "daily active users" are widely used and commonly understood in the industry. Further, the latter is used by Instagram itself on its press website.

Requests for Production Nos. 55, 56; Interrogatory No. 19; Request for Admission No. 82, 83, 84: The requests seek information regarding the notice Instagram provided of changes to its API Terms of Use and Brand Guidelines. The requests are relevant to Flipagram's affirmative defenses of unclean hands and estoppel by consent, as well as to the validity of Instagram's marks given its naked licensing.

Instagram's objections that the terms "notification," "provided to," "when," and "regarding changes" are vague and ambiguous are without merit. These words and phrases use the plain meanings of ordinary English words. In addition, the discovery requests do not call for a legal conclusion. Regardless, that a discovery request calls for a legal conclusion is not a valid objection. *See, e.g.*, *Thomas v. Cate*, 715 F. Supp. 2d 1012, 1029 (E.D. Cal. 2010).

Request for Production No. 58-60: These requests seek documents related to the reasons behind the development of Instagram's API, the benefits the API provides to Instagram, and reasons for granting developers, including Flipagram, access to the API. The requests are relevant to Flipagram's affirmative defense of unclean hands as well as its counterclaim for abandonment by naked licensing. Further, to the extent that the matter was discussed by employees at Instagram, or not discussed, the requests are relevant to the likelihood of confusion.

Instagram's objections that the requests are vague and ambiguous are without basis. The objections are made against phrases containing English words used in their plain and ordinary manner. The requests are also not overly broad or unduly burdensome because they are either limited to a period of only two years and three months (RFP Nos. 58 and 59), or pertain only to Flipagram (RFP No. 60).

To the extent that Flipagram's requests seek attorney-client privileged documents, such responsive documents must be identified on a privilege log.

Request for Production No. 61; Interrogatory 21: These requests seek information regarding the manner, timing, and reasons for Instagram's changing policies with regard to third party software developers. The requests are relevant to Flipagram's defenses of unclean hands as well as Instagram's counterclaim for abandonment by naked licensing. Further, to the extent that the matter was discussed by Instagram employees, or not discussed, the requests are relevant to likelihood of confusion.

Instagram's objections that the RFP No. 61 is vague and ambiguous is meritless. Flipagram's use of the phrase "increase the aggregate utility of the Instagram ecosystem" is taken directly from an Instagram document (Exhibit A to the Third Set of Requests for the Production of Documents and Things). It has the same meaning in RFP No. 61 as it has in Exhibit A.

If any responses are privileged they should be included in a privilege log.

Request for Production No. 62; Requests for Admission Nos. 85, 86: These requests relate to Instagram's use of "Clickwrap Agreements" in relation to its API. The content and manner in which Instagram presented its policies regarding API use, and whether Instagram provided meaningful notice of policy changes, are relevant to Flipagram's affirmative defense of unclean hands, as well as the effect on Instagram's marks by this licensing.

"Clickwrap Agreement" is a defined term. Instagram identifies no language in the definition that it finds vague and ambiguous. The requests also do not seek legal conclusions given the definition provided of "Clickwrap Agreement." Even if they did, that a discovery request calls for a legal conclusion is not a valid objection. *See, e.g., Cate*, 715 F. Supp. 2d at 1029.

Interrogatory No. 22: Interrogatory No. 22 asks Instagram to identify "current employees" who have Flipagram accounts. It is not overly broad or unduly burdensome because by its own plain language the Interrogatory only seeks the identity of "current" Instagram employees. It does not require that Instagram inquire as to every current, former, or potential employee as Instagram's objection contends. Instagram is obligated to engage in reasonable efforts to obtain the information.

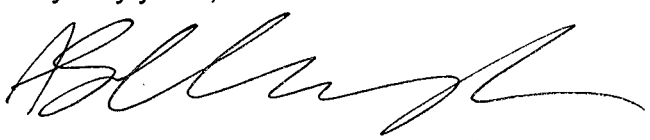
Instagram's objection that the request is not relevant is also meritless. The request seeks information as to the knowledge Instagram had of Flipagram, Flipagram's use of its marks, Instagram's awareness of the goods and services offered by Flipagram, Instagram's decision to offer similar goods and services, and its decision to alter its policies regarding

Flipagram's access to Instagram through its API, all of which are relevant to Flipagram's unclean hand defense and Instagram's licensing of its marks.

Instagram's objection that the request violates its employees' "right of privacy" is also without any basis. If you continue to maintain this objection, please identify what privacy interest would be affected, and provide authority that employees have a right to privacy in the fact of their employment at Instagram or their use of Flipagram such that Instagram could not provide this information.

No later than **August 25**, please confirm that Instagram will provide supplemental responses described above. Flipagram seeks your supplementation by **August 31**. I look forward to your confirmation.

Very truly yours,



Andrew Schalkwyk